

## INFORMATION REPORT

COUNTRY Yugoslavia

DATE DISTR. 29 March 1948

SUBJECT Reconstruction of Industry

NO. OF PAGES 2

25X1

NO. OF ENCL.

LISTED BELOW

SUPPLEMENT TO  
REPORT NO.

25X1

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL SECURITY OF THE UNITED STATES WITHIN THE MEANING OF THE SPYSHIPAGE ACT OF U. S. S. 31 AND 32, AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED. HOWEVER, INFORMATION CONTAINED IN BODY OF THE FORM MAY BE UTILIZED AS DEEMED NECESSARY BY THE RECEIVING AGENCY.

THIS IS UNEVALUATED INFORMATION FOR THE RESEARCH USE OF TRAINED INTELLIGENCE ANALYSTS

25X1

Litostroj

1. Litostroj, a foundry and factory producing hydraulic engines of the largest and most modern type in Yugoslavia, is located near I jubljana, and started operation on 31 Aug 47. The factory is contained in a 100-hectare area; its various shops are connected by narrow and wide gauge tracks and electric cars. Heavy cranes for lifting iron ore have been erected on the roofs of all the shops. These cranes are of reinforced concrete in the shape of a gallows and are capable of lifting 70 T.
2. In addition to its other products Litostroj is producing large turbines for hydro-electric controls. It is believed that under normal circumstances, in the absence of industrial sabotage, it could supply the total Yugoslav needs for these machines.

Rolling Mill in Zenica

3. The old rolling mill in Zenica has also been expanded and modernized. In 1947 its main function was (a) to roll unfinished tracks, (b) to roll lime (c) to roll sheet cellophane -- for a time its most important task, and (d) to roll fine bearings.

Ivo-Lola Ribar Factory

4. A most important event in the Yugoslav metal industry was construction of the Ivo-Lola Ribar machine and tools factory in Zeleznik (Belgrade district), which was begun in April 1947. Although not entirely completed, this factory was opened on 1 Jan 48.
5. The factory contains machine tools, foundry, form casting rooms, converters, and an electric transformer station, as well as an industrial school, cafeteria, administrative building, repair shop and first aid station. In the vicinity has been constructed a workers' community which doesn't meet even the basic needs of the workers. In the original plan 42 workers' buildings were envisaged but only 27 have been constructed and they are not completely finished.

CLASSIFICATION CONFIDENTIAL

STATE	NAVY	NSRB	DISTRIBUTION				
ARMY	X AIR	X					

CONFIDENTIAL

~~CONFIDENTIAL~~

25X1

- 2 -



6. Construction of the factory required 450 thousand working days, during which 25 hectares were leveled and a series of buildings raised. Materials used were 24 thousand cubic meters of concrete, 180 thousand square meters of wooden molds and 236 thousand kilograms of reinforcing rods. Twenty-five youth brigades and 14 thousand men and women took part in the construction. There was a noticeable lack of skilled labor. The workers were pushed 18 hours a day, were not fed enough, and worked under miserable hygienic conditions. As a result, 18.5% of the youth contracted tuberculosis.
7. Electric current for Ivo-Lola Ribar is furnished from the Bela Voda electric central on the outskirts of Belgrade.

Rade Koncar Factory

8. The Rade Koncar factory in Zagreb has been expanded and put in running order -- another success for 1947. The first induction furnace for making high quality alloys was installed during 1947. The lack of graphite containers has been a serious bottleneck, but since induction furnaces have been installed the problem has been almost solved in the various foundries, even if all the needs are not fulfilled.
9. The new furnace is the work of Milan Novak. Its mechanical parts are produced at the Impol factory in Slovenska Bistrica, electrical parts at Rade Koncar, and the frame at a foundry in Maribor. Comparison of the induction furnace with the Siemens type used heretofore shows the following:
  - (a) An annual saving of about three million dinars.
  - (b) The induction furnace fuses alloys with 72% copper; the Siemens type fuses alloys with only 52% copper.
  - (c) The induction furnace produces temperatures about 30% higher than the Siemens.
  - (d) The new furnace's production is about 27% higher than that of the Siemens.
  - (e) Heat loss in the induction furnace is .6%, compared with three to five per cent in the Siemens furnace.
10. Furnaces for the fusing of aluminum and manganese alloys and hard steel are projected.

Zitnjak Factory

11. Construction of a factory for hydraulic and steam boilers was started in Zitnjak, near Zagreb, but was not completed in 1947.

- end -

~~CONFIDENTIAL~~~~CONFIDENTIAL~~